



2003 in Review
Inter-American Foundation

Directions in Development



Contents

Board of Directors and Advisory Council	4
Foundation Staff	6
Message from the Chair	8
President's Report	10
Foundation Program Profile	12
Financial and Statistical Information	13
Country Reports	
Bolivia	14
Brazil	16
Caribbean Regional	18
Dominican Republic	18
Ecuador	20
El Salvador	22
Guatemala	24
Honduras	26
Jamaica	28
Latin American Regional	30
Mexico	32
Nicaragua	34
Panama	36
Peru	38
Trinidad and Tobago	40
Uruguay	42
Venezuela	44
RedEAmérica	46
Evaluation	48
Dissemination	49

Cover: A 2003 grant to the Buccoo Reef Trust will help restore seamount, an endangered Caribbean crop, and strengthen the environmental NGO's capacity to engage in community development. For a profile of this project, see page 41. (Photos: Rohan Holt, courtesy of the Buccoo Reef Trust)




2003 in Review

Inter-American Foundation

October 1, 2002 to September 30, 2003

*Directions in
Development*



Publication Editor: Paula Durbin

Translation Supervisor: Leyda Appel

Photo Editor: Mark Caicedo

Design and printing: United States Government Printing Office

Inter-American Foundation

The Inter-American Foundation (IAF), an independent foreign assistance agency of the United States government, provides grants to grassroots organizations in Latin America and the Caribbean. Created in 1969 as an experimental program, the IAF responds to innovative, participatory and sustainable self-help development projects proposed by grassroots groups and organizations that support them. It also encourages partnerships among community organizations, businesses and local governments directed at improving the quality of life for poor people and strengthening democratic practices. To contribute to a better understanding of the development process, the IAF shares its experiences and the lessons it has learned.

The Inter-American Foundation is governed by a nine-person board of directors appointed by the president of the United States and confirmed by the U.S. Senate. Six members are drawn from the private sector and three from the federal government. The board is assisted by an advisory council. A president, appointed by the board, serves as the Inter-American Foundation's chief executive officer, managing a staff of 47 employees based in Arlington, Virginia.

Congress appropriates funds annually for the Inter-American Foundation. The IAF also has access to the Social Progress Trust Fund administered by the Inter-American Development Bank and consisting of payments on U.S. government loans extended under the Alliance for Progress to various Latin American and Caribbean governments. Since 1972, the IAF has made 4,464 grants for more than \$557 million. Together, the IAF and its grantees have created cost-effective models of social and economic development which have often been replicated by government and larger donor agencies to better the conditions of hundreds of thousands of poor families in communities throughout the hemisphere.



REBECCA JANES



Board of Directors and Advisory Council



In Lima, Peru, Patricia Hill Williams, Adolfo Franco, José Fourquet and Frank Yturria of IAF's board of directors met with Sigifredo Velásquez Ramos, center, director of former IAF grantee ACONSUR.

Board of Directors

Frank Yturria, *Chairman*
Yturria Ranch Enterprises
Brownsville, Texas

Patricia Hill Williams, *Vice Chair*
Vice President, External Affairs
State University of New York at Farmingdale
Farmingdale, New York

Kay K. Arnold
Vice President, System Government Affairs
Entergy Corporation
Little Rock, Arkansas

José A. Fourquet
United States Executive Director
Inter-American Development Bank
Washington, D.C.

Adolfo Franco
Assistant Administrator for Latin America and the Caribbean
United States Agency for International Development
Washington, D.C.

Roger Noriega
Assistant Secretary of State for Western Hemisphere Affairs
United States Department of State
Washington, D.C.

Advisory Council

Jorge Bustamante

Professor of Sociology
University of Notre Dame
South Bend, Indiana

Rita DiMartino

Vice President, Congressional Relations
AT&T
Washington, D.C.

John C. Duncan

Director
South American Gold & Copper Ltd.
New York, New York

Charles Gargano

Chairman
Empire State Development Corporation
New York, New York

James R. Jones

Manatt, Phelps & Phillips LLP
Washington, D.C.

Steve Knaebel

President
Cummins S. de R. L. de C. V.
Mexico, D.F., Mexico

Patricia V. Mares Asip

President
Mares Inter-Americas Corporation
Plano, Texas

Douglas Patiño

President
The Patiño Group
Sacramento, California

Susan Kaufman Purcell

Vice President
Americas Society
New York, New York

Renate Rennie

President
The Tinker Foundation Inc.
New York, New York

Deanna Rodríguez

Associate Vice Chancellor for Community Relations
The University of Texas System
Austin, Texas

Al Zapanta

President and Chief Executive Officer
U.S.-Mexico Chamber of Commerce
Washington, D.C.



Foundation Staff *

Office of the President

David Valenzuela, *President*

Rosemarie Moreken, *Executive Assistant*

Ronald Arms, *Special Assistant to the President*

Walter Price, *Special Assistant to the President*

Office of the General Counsel

Carolyn Karr, *Senior Vice President and General Counsel*

Margarita Guerra, *Paralegal Specialist*

Jocelyn Nieva, *Attorney-Advisor*

Karen Juckett, *Staff Assistant*

Office of External Affairs

Patrick Breslin, *Vice President for External Affairs*

Paula Durbin, *Public Affairs Specialist*

Heidi Smith, *Public Affairs Specialist*

Office of Operations

Linda Kolko, *Vice President for Operations*

Leyda Appel, *Translator*

Robert Freeman, *Fiscal Specialist*

Madeline Lopez, *Auditor*

Ana Savage, *Budget Analyst*

Office of Evaluation

Emilia Rodriguez-Stein, *Director of Evaluation*

Miguel Cuevas, *Analysis and Evaluation Specialist*

John Reed, *Analysis and Evaluation Specialist*

Christina Jones, *Evaluation Intern*

Office of General Services

Richard Jones, *General Services Specialist*

Hussain Mohammad, *Office Assistant*

Office of Information Management

Pam Palma, *Management Analyst*

Eric Nystrom, *Information Technology Specialist*

Tie Xu, *Information Technology Specialist*

DeShonté Clemons, *Staff Assistant*

* This listing is current as of Sept. 30, 2003.

Office of Programs

Ramón Daubón, Vice President for Programs

Marcy Kelley, Deputy Vice President for Programs

Miriam Brandão, Senior Foundation Representative for Central America

Judith Morrison, Senior Foundation Representative for South America

Robert Sogge, Senior Foundation Representative for Mexico and the Caribbean

Wilbur Wright, Senior Foundation Representative for South America

James Adriance, Foundation Representative, Guatemala

Gabriela Boyer, Foundation Representative, Argentina, Paraguay and Uruguay

Carlo Dade, Foundation Representative, the Dominican Republic and Haiti

Kevin Healy, Foundation Representative, Honduras and Panama

Audra Jones, Corporate Liaison and Foundation Representative, Venezuela

Christine Krueger, Foundation Representative, Bolivia and Peru

Kathryn Pyle, Foundation Representative, El Salvador

Marnie Schilken, Foundation Representative, Ecuador

Jill Wheeler, Foundation Representative, Mexico

Blanca Suarez-Torres, Grants Program Coordinator

Luiz Antonio Casey, Program Staff Assistant, Brazil and Colombia

Marieannette Otero, Program Staff Assistant, Nicaragua, Guatemala and Costa Rica

Monica Radwan, Program Staff Assistant, Bolivia and Peru

Eduardo Rodríguez-Frías, Program Staff Assistant, Caribbean and El Salvador

Oscar Ruiz, Program Staff Assistant, Argentina, Ecuador and Venezuela

Alexis Smith, Program Staff Assistant, Mexico, Panama and Honduras

Kenya Doyle, Program Intern

Nnenna Ozobia, Program Intern

Megan Savage, Program Intern

Ana Tenorio, Program Intern

Message from The Chairman



The Inter-American Foundation makes modest grants to poor people in Latin America and the Caribbean so they can improve their standard of living and shape their communities' priorities as they think best. This investment in helping people pull themselves up by their boot straps has yielded a solid record of well documented results.

Furthermore, although its budget is limited and its focus is local, the IAF's impact goes beyond tangible improvements in people's lives. Over time, it has shaped democratic practices in this hemisphere. Participation in decision-making and oversight not only sustains the self-help development process but also lays the foundation for national democracies. Democratic governments cannot function without engaged and active citizens at the local level. When people join together to discuss their community's problems and agree to take specific action to resolve them, they are addressing economic issues and fostering democracy simultaneously. This dual purpose is at the heart of IAF's efforts toward grassroots development.

Creativity, agility and flexibility underlie the IAF's success. Unlike the government-to-government programs that still dominate the development field, the IAF's program encourages innovation, responds to needs quickly and effectively, and works with many partners, including nongovernmental organizations, community groups, municipal governments and, increasingly, private corporations.

Founded more than 30 years ago as an experiment in grassroots assistance, the IAF has remained true to its principles while evolving in a dynamic context. This is testament to its founders' foresight and offers lessons to its colleague institutions.

Frank D. Yturria
Frank D. Yturria



Chairman Yturria with three new board members representing the public sector: Assistant Secretary of State Roger Noriega; Chairman Yturria; Adolfo Franco, assistant administrator, Agency for International Development; and José Fourquet, executive director, Inter-American Development Bank.

President's Report

When I started my career at the Inter-American Foundation in 1979, the IAF was breaking new ground in foreign assistance with grants to poor communities in Latin America and the Caribbean who were designing and implementing their own self-help programs. Now, other aid organizations pay tribute to this bottom-up, grassroots development approach, but it is still difficult to achieve sustainable social and economic gains when communities have to rely mainly on their own members and organizations—especially in the rural areas where many marginalized people live.

Over the past 30 years, the IAF has seen that development involves an expanding number of actors and processes. Thanks to decentralization, emerging local governments, expanding civil society organizations and newly engaged businesses and corporations, we believe the world now can support grassroots efforts more easily and efficiently than in years past. It is a matter of attracting and harnessing this range of disparate forces and turning them into partners. And the IAF has devoted considerable effort to doing just that.

As we adapt to current conditions, by seeking new sources of funding, developing new mechanisms and designing new financial instruments, our goal remains the same as always: to support and encourage people seeking to overcome poverty and become citizens of a better community through their own efforts. And partnership is still the common thread without which the new approaches we are testing and using would be neither possible nor compatible. Partnership holds the actors together and enables them to grow and evolve in the dynamic contemporary context.

The problems facing the developing world today have enormous financial dimensions. Accordingly, we are trying to increase the resources available to grassroots initiatives. Our effort includes expanding the range of organizations with which we work. We have more co-funding arrangements with non-U.S. entities; the 12 entered into this year are described in this review's section on RedEAmérica's program. By publicizing the tax advantages, we are encouraging U.S. businesses to support grassroots development through contributions to the IAF, which is authorized to receive such funds, a privilege few government agencies enjoy. Fundraising not only taps increased resources; the related education that occurs fosters increased participation on the donor side, strengthening the relationship of all partners in the development process. It is also a means of integrating the interests of donors and grantees for lasting impact, so that IAF-supported activities are more likely to become sustainable.

But more funding is not the answer to other development problems that money cannot address. Often, worthy organizations that need financial support lack

the means of demonstrating to donors their capacity for accountability and effectiveness. We hope to reach out to such organizations, help them gain credibility and mobilize their capacities.

IAF is effective because we spend time with grantees, listening to the wisdom they offer about the development process and helping them hone their plans. This contact can be slow and difficult for others trying to replicate the IAF's approach. Our response is to identify standard elements of good grant-making that include time-tested selection criteria and compliance requirements. Our experience can guide other grant-makers in adapting their programs to the context of individual communities or regions. RedEAmérica, the network of corporate foundations described on page 46, is the first experiment in franchising the IAF's methodology and philosophy on a larger scale. The preliminary results appear promising, according to RedEAmérica members (who numbered 40 at the close of the 2003 calendar year) now working to integrate IAF selection and measurement criteria into their diverse programs.

Despite its experimentation with new instruments and mechanisms, the IAF will always remain a grant-making organization. Nonetheless we are looking at private sector approaches to investment and at adapting certain financing instruments to our purpose of attracting funding from a wider range of sources. A credit guarantee fund, for example, might provide capital for the revolving credit needs of nongovernmental organizations, while the IAF supports training and technical assistance through traditional grants. We are also exploring a fund for long-term loans to capitalize social enterprises that undertake productive activities. Many such enterprises are former IAF grantees that have moved beyond dependence on grants but cannot yet access commercial financing.

The initiatives I have described here would support the same grassroots organizations and the same creative, indomitable people to whom the IAF has always been committed. We have always rejected top-down approaches and have instead encouraged horizontal relationships that turn on the critical elements of synergy, complementarity, trust and shared responsibility. The IAF was founded as an experimental organization whose work could be emulated by others, and whose insight could foster more effective ways to combat poverty and build democratic societies. We continue to fulfill that mission by offering an increasingly varied set of tools to an ever wider audience and by drawing new donors into partnerships at the grassroots.



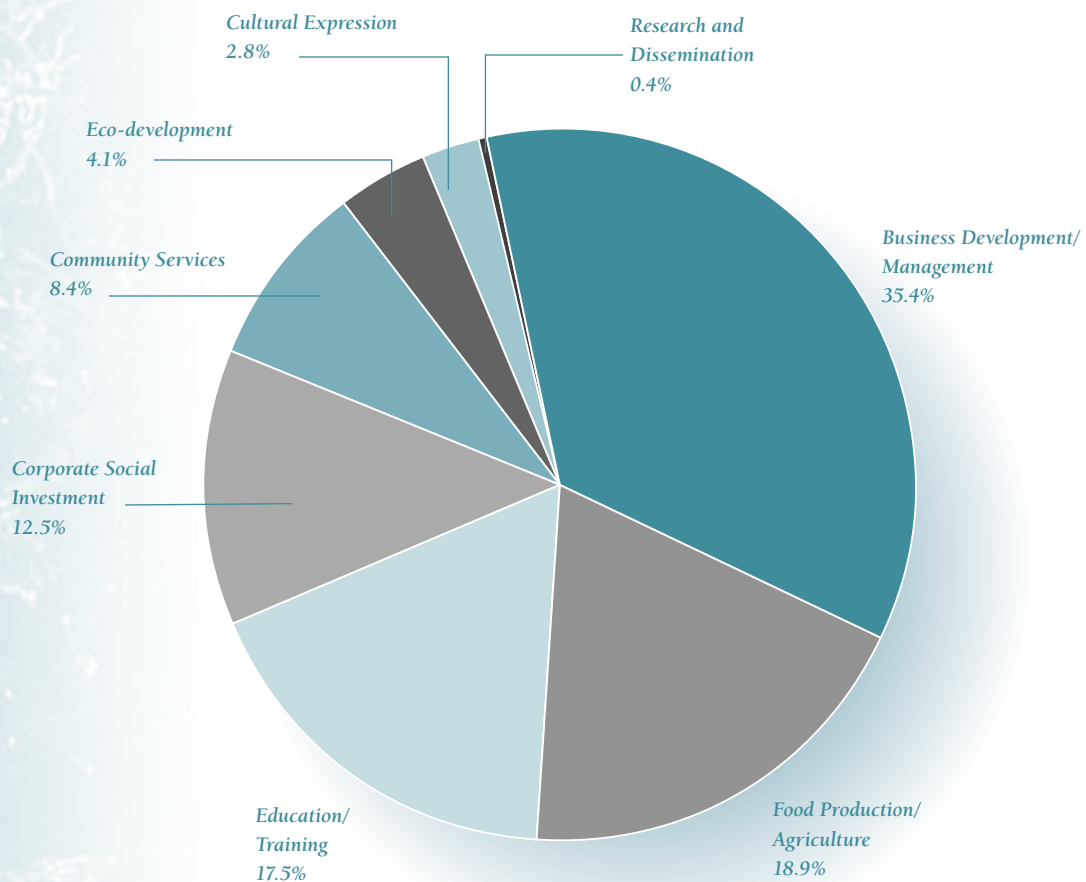
A handwritten signature in blue ink, consisting of a stylized 'D' followed by a series of loops and a horizontal line ending in a small arrowhead.

David Valenzuela

Foundation Program Profile

Fiscal 2003

Program Area	Percentage
Business Development/Management	35.4
Food Production/Agriculture	18.9
Education/Training	17.5
Corporate Social Investment	12.5
Community Services	8.4
Eco-development	4.1
Cultural Expression	2.8
Research and Dissemination	0.4



Financial and Statistical Report

Investment by Country

Country	FY 2003			Totals for 1972-2003	
	New Grants	Supplements	Funds*	Grants	Funds*
Anguilla	0	0		1	3
Antigua and Barbuda	0	0		8	507
Argentina	2*	1*	511	212	26,745
Bahamas	0	0		7	144
Barbados	0	0		11	925
Belize	0	0		78	3,959
Bolivia	4	3	947	246	31,234
Brazil	8	2	1,258	352	42,492
Chile	1*	0	76	257	42,127
Caribbean Region	0	1	30	62	7,308
Colombia	3*	1*	697	298	38,844
Costa Rica	0	0		217	15,148
Dominica	0	0	75		2,282
Dominican Republic	2	1	210	222	22,225
Ecuador	3*	2	638	171	24,902
El Salvador	4	2	1,431	183	28,111
Grenada	0	0		17	540
Guatemala	5	2	1,025	175	26,122
Guyana	0	0		7	294
Haiti	0	0		129	13,556
Honduras	1	0	275	151	23,167
Jamaica	1	0	347	67	4,080
Latin America Region	2	2	395	127	11,029
Mexico	7*	4	2,318	329	48,060
Montserrat	0	0		1	3
Netherlands Antilles	0	0		2	126
Nicaragua	6	3	2,014	158	26,950
Panama	3	2	756	192	22,791
Paraguay	0	0		140	17,426
Peru	5*	7	1,336	245	41,278
St. Kitts and Nevis	0	0		6	541
St. Lucia	0	0		12	696
St. Vincent	0	0		12	746
Suriname	0	0		3	347
Trinidad and Tobago	1	0	107	14	949
Turks and Caicos	0	0		2	12
Uruguay	2*	0	428	129	17,051
Venezuela	4	2	1,173	146	14,634
TOTALS	64	35	15,972	4,464	557,354

* Investment is indicated in thousands of dollars.

† Includes RedEAmérica program.

Bolivia

New Grants

Fundación Intercultural ATAR (Fundación ATAR), \$120,080 over three years, to improve production and marketing of cash crops through training, technical assistance and credit for approximately 370 families organized into five associations. The grant will allow these associations to form the Padilla Federation of Agricultural and Livestock Producers, which will work with municipal officials and help sustain economic development processes. (BO-484)

Organización Campesina Intercomunal “Diogracio Vides” (Intercomunal), \$119,925 over two years to increase income and improve food security in the provinces of Arce and Avilés through involving beneficiaries in the construction of irrigation reservoirs and distribution canals, diversification of production and marketing activities, and the operation of community credit funds. Long-term goals are increased civic action, stronger community organizations and better natural resource management. (BO-485)

The Fundación Horizontes (Horizontes), and a consortium of three nongovernmental organizations, \$197,350 over three years toward a program with the Network of Rural Elderly Persons and 13 municipal governments in Oruro and Northern Potosí to support elder-managed food security and income-generation projects, increase associations of the elderly, and improve services for the elderly at the municipal, departmental and national levels. (BO-486)

Asociación Nacional Ecuémica de Desarrollo (ANED), \$376,425 over three years to promote collaboration and information-sharing across sectors and provide individuals and organizations with project assistance, credit and financial planning services. Working in Rurrenabaque with the municipal government, the development council, farmer groups and nongovernmental organizations, the grantee expects to mobilize at least \$3 million in additional resources. (BO-487)



REBECCA JAMES

Supplemental Grants*

Ayllus Originarios de Quila Quila (Quila Quila), \$84,425 for planned and new activities, including the preparation and irrigation of agricultural terraces, completion of a thermal bath complex and several small lodges, and installation of additional oven and processing equipment to expand gypsum production. Several community members will learn to extract quartz and process it for glass products. (BO-473-A2)

Mancomunidad “Héroes de la Independencia” (Mancomunidad), \$44,200 for a grassroots consultation process to define the terms of a legally-recognized entity that will administer a \$300,000 credit fund (FONCASOL) created with community, IAF and other donor support. The fund will extend small loans for economic activities to members of 100 communities and six producer associations. Mancomunidad will also offer training for community credit agents and incorporate additional communities and organizations from the four municipal areas served. (BO-474-A2)

**This review includes only supplemental grants for more than \$9,000.*

Conservation at The Grassroots

The central valley of Bolivia's Tarija region has been scarred by heavy soil erosion and an excessive reliance on hazardous chemicals to produce cash crops such as grapes and tomatoes. Food security has been compromised by erratic weather patterns and the local governments' lack of interest in supporting agricultural production.

In two Tarija municipalities, however, *Organización Campesina Intercomunal "Diogracio Vides"* (Intercomunal) has been charting some new pathways toward transforming this bleak scenario. Building on a prestigious local NGO's recent success in using *atajados*, or small reservoirs, for irrigation, Intercomunal will construct or improve 160 *atajados*

which will also serve for fish farming in 15 communities, benefiting approximately 300 families. Natural resource conservation through reforestation will protect soils surrounding the reservoirs. Intercomunal's new nursery will supply participating families with native and exotic tree species, which will enable women to grow fruit for family consumption and for market. Its organic production activities will train 60 families in soil management and in the organic cultivation of tomatoes.

An unusual feature of Intercomunal's structure is its close association with a network of peasant *sindicatos* that has been able to influence municipal governments in the area of Tarija served by the new grantee. Intercomunal will also build a partnership with the Association of Ecological Producers of Tarija to further its goals. —Kevin Healy, Foundation representative



REBECCA JANES

Brazil

New Grants

Ação Comunitária do Brasil (ACB), \$95,000 over two years to increase the income potential of young adults. Training in design and art will yield marketable skills applicable to small business ventures or employment. (BR-807)

Associação Projeto Roda Viva (Roda Viva), \$152,800 over two years to improve economic opportunities for residents of the heavily polluted beach communities in the Bay of Guanabara. The award will fund training in sustainable fishing and craft production, purchase of equipment, and construction of a cooperative site. It will also support legal services to formalize two producer cooperatives as well as technical assistance in marketing, community development and natural resource management for their beneficiaries. (BR-808)

Nova Pesquisa e Assessoria em Educação (NOVA), \$218,800 over three years to increase the income and sustainability of recycling cooperatives throughout the state of Rio de Janeiro. The grant will support technical assistance, training workshops, publications and an equipment fund. (BR-809)

Círculo Olympio Marques (COLYMAR), \$25,000 for a one-year project to conduct a grassroots self-assessment and compile a directory of small businesses owned by African-descendants in the state of Rio de Janeiro. Afro-Brazilian small-business owners will identify their technical assistance needs and opportunities for their informal and formal sector enterprises. The findings of this assessment and the directory will be disseminated to interested parties throughout the state. (BR-810)

Centro de Apoio ao Desenvolvimento (CAD), \$22,100 for a one-year project to inventory African-descendent organizations in the state of Rio de Janeiro, conduct a needs assessment and compile a directory of community-based groups and grassroots support organizations that work with the state's African-descendent communities. This directory will be useful in developing training programs, mobilizing financial resources for marginalized communities and promoting exchanges between targeted organizations. (BR-811)

Fundação Casa Grande Memorial do Homem Kariri (Casa Grande), \$83,000 for one year of support to poor families in Nova Olinda organizing as entrepreneurs in the tourism sector. Equipment and training will be offered to families participating in a tourism-related cooperative, and young adults will be trained to provide support to the 3,000 Brazilian and international visitors who participate in Casa Grande's cultural activities each month. Through this assistance, disadvantaged families will have an income stream and become integrated into the region's cultural activities. (BR-814)

Centro Diocesano de Apoio ao Pequeno Produtor (CEDAPP), \$296,000 over three years to improve living conditions for 220 families in 10 rural communities in the state of Pernambuco through comprehensive agricultural extension and support. Beneficiaries will diversify agricultural production, protecting their families from the economic consequences of severe drought conditions, and will improve basic sanitation. (BR-815)

Grupo de Mulheres Negras (Mãe Andresa), \$258,600 over three years to increase the income-generating potential of domestic workers in the city of São Luis. Mostly of African descent, these women will benefit from a program that lays the foundation for a mutual support network and leads to certification in culinary arts, cleaning, restaurant management and entrepreneurship. Upon certification, participants will have access to small grants of seed capital for starting businesses. (BR-816)

Supplemental Grants

Associação dos Pequenos Produtores Rurais da Localidade Cristalândia e Região das Capoeiras (ASSPRUCC), \$30,000 to purchase a truck for transporting agricultural products and supplies; purchase 100,000 young fish, fish food and other inputs for the fish harvesting program; and to support technical assistance for beneficiaries. (BR-789-A2)

Instituto Nenuca de Desenvolvimento Sustentável (INSEA), \$49,970 to support travel for guests and recyclers from Brazil and abroad to the Second Annual Lixo e Cidadania (Trash and Citizenship) Festival in Belo Horizonte. The amendment also funded research and planning, space rental, interpreters, sound and interpretation equipment, and logistics, including the adaptation of warehouse space for exhibits and a fair. (BR-806-A1)

Social Tourism Benefits a Community

Children in Nova Olinda, located in the Brazilian Northeast's parched interior, are making their voices heard with the help of *Fundação Casa Grande Memorial do Homem Kariri* (Casa Grande). Casa Grande's mission is to educate young people through music and communications, and it employs a hands-on approach that appeals to youth. Kids produce videos, radio and television programs, newsletters and comic books with the goal of teaching an audience of their peers such important life skills as planning, building trust, working in groups and taking responsibility. In 2000, Casa Grande received UNICEF's award for the most creative youth program in the state of Ceará.

Casa Grande was founded in 1992 by two local musicians. The area's religious and archeological sites were already attracting large numbers of tourists, and, as news of the success of Casa Grande spread, Nova Olinda has drawn "social tourists" at a rate of 3,000 per month. In an effort to leverage the positive impact of tourism on the community, Casa Grande participants and neighboring families have teamed up to make their small town an even greater social tourism destination. Visitors are accommodated and fed in modest *pensões*, usually a one-room guesthouse with private bath, located in a family's backyard or patio. Each *pensão* is equipped with a radio, enabling guests to enjoy the kids' broadcasts on the local station, and a VCR for viewing a selection of videos produced by Casa Grande youth (since television reception requires an expensive parabolic antenna). After visiting Casa Grande's facilities, tourists can purchase handicrafts and see other regional attractions.

With its IAF grant, Casa Grande will offer training to 48 low-income families in tourism-related skills—regional tourism, customer service, maintenance, cooking and hygiene standards, needlework and sewing, and graphic arts—positioning them to secure new income streams in a region plagued by persistent underemployment. The courses will be organized through *Cooperativa dos Pais e Amigos da Casa Grande* (COOPAGRAN), a cooperative comprised of Casa Grande participants and neighbors.

Approximately 40 young adults will benefit from training blocks in environmentalism and rural tourism, culture and archeology

of the region, and group facilitation and guide training; 15 will study English. The IAF grant will also provide small capital improvement grants to upgrade guest suites. Through its grassroots approach, this project will ensure that the benefits of tourism permeate the entire community.

—Megan Savage, program intern



PATRICK BRESLIN



PATRICK BRESLIN

Caribbean Regional

Supplemental Grant

Community Tourism Foundation

(CTF), \$30,250 to conduct a study on corporate social responsibility (CSR) in the Caribbean and convene a conference to disseminate results. (CA-096-A2)

Dominican Republic

MIGUEL SAYAGO



New Grants

Fundación Agricultura y Medio

Ambiente (FAMA), \$57,500 over two years to strengthen an alliance of small-scale organic farmer organizations and to conduct studies required to launch a marketing service that will increase sales and incomes for more than 16,000 farmers. (DR-328)

American Chamber of Commerce of the Dominican Republic

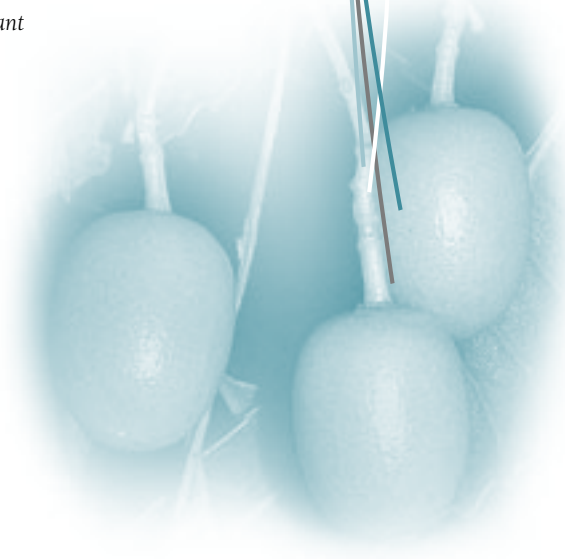
(AmCham-DR), \$150,000 over three years for a small-grants fund to finance 25 education, health, social development and environmental projects benefiting 2,000 residents of poor communities throughout the Dominican Republic. (DR-329)

Supplying the Organic Market

For the past several years the Inter-American Foundation and other international donors have helped small-scale Dominican farmers shift to organic production. Families that converted to this methodology have reduced their dependence on imported pesticides and fertilizers as well as their exposure to toxic chemicals. Lower production costs increase the commercial viability of their crops. However, these small producers have difficulty entering national and international markets because they cannot offer the production guarantees that major buyers require.

Fundación Agricultura y Medio Ambiente (FAMA) is dedicated to fostering sustainable farming practices. FAMA pioneered the use of neem, a plant that serves as a natural insect repellent and also has medicinal properties, and it derives income from neem products and providing technical assistance on its uses. FAMA will use its IAF grant toward its work with an informal alliance of 11 small organizations of organic farmers, several of them former IAF grantees, formalizing the alliance's legal status and its relationship with its members. This project emerged from an IAF-sponsored conference on organic agriculture. The new alliance, representing approximately 16,000 Dominican farmers, will launch a marketing service to help increase sales and incomes. Coming together in such numbers will allow these small producers to market to larger buyers such as supermarkets, hotels and export businesses. They will also be able to take advantage of a host of new opportunities offered by the alliance, which should serve as a model for other agricultural organizations.

—Eduardo Rodríguez-Frías, program staff assistant



New Grant

Comité de Desarrollo Local de Guamote (CDL-Guamote), \$274,000 over two years toward reversing environmental degradation and introducing sound farming practices in indigenous communities in the cantón of Guamote, benefiting residents economically, environmentally and culturally. (EC-386)

Supplemental Grants

Fundación Mujer y Familia Andina (FUNDAMYF), \$60,000 to continue training, technical assistance and credit for 360 women, mostly single heads-of-household, so that they may become effective entrepreneurs in Huaquillas, a commercial center on the border with Perú. (EC-373-A1)

Corporación para el Desarrollo de los Recursos Naturales Renovables (CEDERENA), \$98,900 to conclude training activities related to a program in watershed rehabilitation, soil conservation, organic farming practices and forest management. Approximately 450 rural families and delegates from five neighboring municipalities will participate. (EC-374-A3)



MIGUEL SAYAGO

Of Value on the Watershed

Like huge sponges, Ecuador's remote *páramos*, or mountain tops, capture and absorb the water from rain. Given an adequate level of forestation, this rainfall is purified as it filters through soil particles to downstream water consumers. But a highly efficient purification system does not guarantee a sufficient water supply, and many Ecuadorian municipalities must limit daily water services to anywhere from four hours to just 10 minutes—while administrators scramble to identify cost-effective solutions.

With a previous IAF grant, the *Corporación para el Desarrollo de los Recursos Naturales Renovables* (CEDERENA), a network of professional agronomists, foresters, economists, engineers and sociologists who offer sound alternatives to environmentally harmful agricultural methods, turned a payment-for-environmental-services program into a simple, low-tech model widely viewed as a best practice for water conservation. Launched in the northern municipality of Pimampiro, the program calls for downstream consumers to pay a small surcharge in addition to their monthly water bill. The surcharge funds incentives to upstream farmers to maintain the forests and vegetation of the *páramos*. The more pristine the land, the greater the payment to the farmer. As a result, Pimampiro residents can now access water eight hours a day, up from two hours each morning and afternoon, and residents of the high *páramos* can count on a monthly income.

In 2003, CEDERENA received additional funds with which to conclude its training in organic farming, soil conservation, watershed rehabilitation and forest management for approximately 450 rural families and delegates from five neighboring municipalities. CEDERENA's professionals will visit the farm families in their homes to teach and also to assess current and potential environmental needs for the municipality. A continued focus on staffing, training and implementing an Environment and Tourism Unit (UMAT) within the municipality will contribute to the sustainability of CEDERENA's project and help coordinate future environmental programs. —*Marnie Schilken, Foundation representative*

El Salvador

New Grants

Asociación de Organizaciones de Microfinanzas (ASOMI), \$323,990 over three years to strengthen and expand its eight-member network of nongovernmental organizations extending loans to low-income individuals for small and medium enterprises. The grantee will provide education, training and technical assistance to improve administrative and programmatic activities, identify best practices and disseminate current technology for managing credit funds. (ES-208)

Fundación Centroamericana para el Desarrollo Humano Sostenible (FUCAD), \$350,000 over three years for economic development projects in six communities in the departments of Chaltenango, Cuscatlán, Morazán, San Vicente and La Paz, with support from Salvadoran hometown associations in the U.S. FUCAD will collaborate with El Rescate, a Los Angeles-based multi-service program for new immigrants, and the Salvadoran government's Social Investment Fund for Local Development. The University of California at Los Angeles will contribute a policy and management analysis component. (ES-209)

CARECEN International-El Salvador (CARECEN), \$300,000 over three years to enable 20 communities, their respective municipal government and their corresponding hometown associations in the United States to collaborate on grassroots development projects. The project will be carried out in partnership with Fundación Nacional para el Desarrollo (FUNDE) and will include a component for documentation and dissemination of best practices. (ES-210)

Asociación para la Autodeterminación y el Desarrollo de Mujeres Salvadoreñas (AMS), \$333,070 over three years for an economic development partnership with the municipal government of Concepción Bártres in the department of Usulután, designed to increase the income of women and their families through an agricultural production and food processing project and to strengthen the beneficiaries' participation in the municipality's governance. (ES-211)

Supplemental Grants

Fundación Salvadoreña para la Reconstrucción y el Desarrollo (REDES), \$89,887 over one year to consolidate the Mercado Sobre Ruedas de Mejicanos, continue business training and increase sales. (ES-198-A3)

Fundación Nacional para el Desarrollo (FUNDE), \$33,570 for a workshop on the Arequipa Summit on Decentralization, Local and Regional Government and Citizen Participation, sponsored by the IAF in June. (ES-175-A6)



New Partnerships in Development

The 35 proposals received in fiscal 2003 from Salvadoran organizations included several innovative approaches selected for funding.

Transnational Communities

Two of these, submitted respectively by *Fundación Centroamericana para el Desarrollo Humano Sostenible* (FUCAD) and *CARECEN Internacional-El Salvador*, will strengthen communities in El Salvador through collaboration with Salvadoran migrant associations in the United States. FUCAD will work closely with El Rescate, an organization serving immigrants in Los Angeles. While FUCAD helps the Salvadoran communities develop their organizational capacity and ability to negotiate with the U.S.-based associations, El Rescate will assist the corresponding hometown associations (HTAs) with administrative and program issues. Together, the HTA's and the committees in their communities of origin will identify development projects, including a fund for start-up capital, and raise money for their implementation. While some activities are still in the planning stages, a brick factory in Paraiso de Osorio built with HTA funds will soon be operational.

CARECEN will focus on development planning and the projects that emerge. Fundación Nacional para el Desarrollo (FUNDE,) a partner and previous IAF grantee, will assist in building alliances between community organizations and local governments and in promoting participatory planning processes to identify community development projects. Partners will be mobilized from among Salvadorans now in the U.S. who can help with "remittances" of funds, ideas and skills.

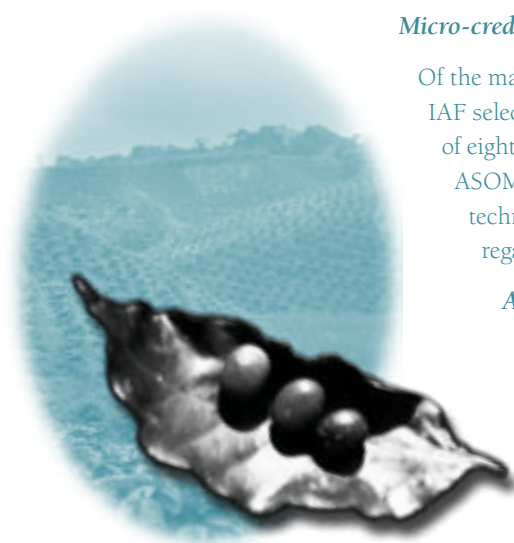
Micro-credit Network

Of the many proposals to use micro-credit as an avenue to economic development, IAF selected *Asociación de Organizaciones de Microfinanzas* (ASOMI), a new network of eight of El Salvador's largest micro-finance institutions. Through the IAF award, ASOMI members, as well as smaller organizations, will benefit from training in the technology and administration of credit funds and education in national policies regarding micro-credit.

Addressing the Gender Gap

Over the past two years, the IAF has explored the role of gender in development in El Salvador, prompting interest in IAF's programs among organizations addressing women's issues. One of these, the *Asociación para la Autodeterminación y el Desarrollo de Mujeres Salvadorenas* (AMS), in partnership with local government, will benefit women, primarily single heads of households, through a program that combines training in organic agricultural production with food processing activities and marketing strategies. A childcare component will ensure that the women beneficiaries are able to take full advantage of the training offered.

—Kathryn Smith Pyle, Foundation representative



Guatemala

REBECCA JANES

New Grants

Asociación de Desarrollo Integral Tineco (ADIT), \$200,000 over three years to train 800 members, mostly women, as well as to improve leadership and organizational skills, and to extend small loans to agricultural and textile businesses. ADIT will collaborate with the municipal government on community projects. The goals are more production, better incomes, improved health and education levels, and an increase in ADIT's membership. (GT-273)

Asociación de Salud y Desarrollo Rxiin Tnamet (Rxiin), \$288,620 over five years to work with municipal governments and the Ministry of Health in Santiago Atitlán, San Juan La Laguna and Santa María Visitación toward improving the health of some 4,000 women and children. Rxiin will provide health care services and train 150 volunteers to educate their communities in nutrition and preventive health practices and to form village health committees and pharmacies. (GT-274)

Asociación Toto Integrado (ATI), \$123,000 over three years to offer a program of training, services and production of basic medicines in 10 rural communities in the department of Totonicapán. The project will combine curative and preventative approaches to health care using the best traditional and modern practices within the means of the beneficiary communities. Working with the local Ministry of Health, ATI expects to expand the population served from 4,000 to 11,000 individuals (2,215 families). (GT-275)

Asociación de Servicios Comunitarios de Salud (ASECSA), \$231,920 over three years for training and technical assistance in topics related to preventive and curative health care in eight low-income municipalities in the department of Baja Verapaz. The approximately 360 community health leaders participating will each in turn train up to 20 families per year so that an estimated 40,000 individuals will benefit directly or indirectly from the project. (GT-276)

Asociación Museo Comunitario Rabinal Achi (Museo Achi), \$150,000 over three years to improve knowledge, skills and income among the Achi people in and around the municipality of Rabinal, Baja Verapaz, through education in their cultural heritage and in eco-tourism. Museo Achi will develop and apply a variety of educational videos and CD-ROM materials on Achi culture and the special physical and cultural attractions of the Rabinal area. Some 3,800 young adults, artisans and others will directly benefit from the project. (GT-277)



Supplemental Grant

Asociación de Desarrollo Integral Tineco (ADIT), \$25,000 over eight months to train 30 members, mainly women farmers and artisans, and provide small loans for agricultural and small business activity while collaborating with the municipal government on community projects. ADIT will also introduce experimental greenhouses, allowing the production of higher value crops over a longer growing season. (GT-255-A3)



REBECCA JANES

Health Services for Rural Residents

Rural communities are home to 60 percent of the Guatemalan population, many of whom live in extreme poverty on less than \$1 per day. For these people, statistics on health care are especially grim. Only 14 percent of the poorest quintile receive medical services. The rest of the poor and extremely poor must rely on assistance from their family or community or on self-medication. While rural Guatemalans would rejoice at the presence of more doctors, pharmacists, hospitals and clinics, anyone who has traveled the labyrinth of rutted roads and snaking footpaths knows that modern medicine is not arriving in the countryside any time soon.

What can be done in the meantime? Pioneering NGOs are partnering with community leaders and building on local knowledge, resources and reality to provide practical alternatives for rural families. While the Inter-American Foundation hesitates to support health services, which often prove unsustainable, in 2003 the IAF awarded grants to three organizations that advocate a solution in which rural Guatemalans are protagonists: *Asociación Toto Integrado* (ATI), based in the small city of Totonicapán in the department of Totonicapán; the *Asociación de Salud y Desarrollo Rxiin Tnamet* (Rxiin), in Santiago, Atitlán; and the *Asociación de Servicios Comunitarios de Salud* (ASECSA) in Baja Verapaz.

Professionals in all three grantee organizations work with, not against, the healers and midwives that isolated communities depend on, carefully distinguishing the folk practices and remedies that are medically beneficial. With their IAF awards, the three NGOs will especially emphasize prevention of illnesses and pregnancy problems, which is more reliable than treatment after the fact and costs far less. To encourage preventive health measures, the organizations will disseminate basic information with the help of local health promoters. Strengthening community health committees is another common goal.

Recognizing the limitations of a volunteer network when illness strikes, the three NGOs will also train village pharmacists and offer basic prescription drugs at reduced prices. ATI and Rxiin's health clinics will continue with scheduled examination services. Local government will be a partner in each project, often building on an excellent record. An alliance between Totonicapán's health ministry and ATI's local networks of healers and promoters, for example, boosted vaccination rates from 30 percent in 1998 to 85 percent in 2001. With the new grant, progress will continue, benefiting thousands of rural Guatemalans. —Jim Adriance, Foundation representative



REBECCA JANES

Honduras

New Grant

Agua para el Pueblo (APP), \$274,496 over two years to improve health conditions through better access to clean water and basic sanitation, and to conserve local watersheds. APP will offer technical assistance and training, organize water user associations, map communities to assess sanitation conditions, construct new infrastructure and reforest the area. Some 6,000 low-income farmers from 25 communities are expected to benefit. (HO-237)



SEAN SPRAGUE

Clean Water for Copan Communities

Since 1998, Honduras has been ravaged by hurricanes, floods and droughts, all of which have damaged the water supply system. Excessive use of fertilizer and pesticides and poor waste elimination systems further contribute to water contamination and the degradation of watersheds. The lack of potable water and basic sanitation causes disease, often fatal to infants; to avoid contamination, people fetch clean water at great distances from home.

For nearly 20 years, *Agua para el Pueblo* (APP) has worked to improve water and sanitation throughout Honduras. Its approach emphasizes participation, organizational development and education. APP is currently involved in more than 420 water projects and has constructed 215 new water systems works in rural communities in six departments. Among its partners are the Honduran Ministry of Public Health and the Autonomous Service of Aqueducts and Drainage Systems.

With its IAF grant, APP will collaborate with communities in three municipalities near the Copan Ruins in western Honduras. APP will start by teaching Copan water associations to monitor and evaluate water quality and providing them access to portable labs and municipal databases. A new training center will offer courses on water system management and maintenance and on organizational strengthening. Topics will include structuring and administering water charges, the effects of water contamination on health, and women and community development. APP will focus next on expanding and renovating the water supply. The communities will repair damage to aqueducts and other parts of the system caused by hurricanes and neglect. The water and sanitation systems will also be improved by the construction of water tanks, drain pipes and latrines. Finally, APP will work with the communities to develop and implement strategies to maintain infrastructure and to prevent further contamination through the introduction of agro-forestry techniques.

— *Alexis Smith, program staff assistant*



Jamaica

New Grant

People's Action for Community Transformation (PACT), \$347,100 over four years to collaborate with the Local Initiative Facility for the Urban Environment (LIFE) on a project to strengthen grassroots organizations, enhance their networking and access to information, and fund social, economic and environmental projects. Approximately 1,000 low-income residents in communities throughout Jamaica should benefit. (JA-109)



SEAN SPRAGUE

More Resources for Civil Society

Like its Caribbean neighbors, Jamaica is a small country of sharp contrasts. The opulence of its resorts, along with the wealth of the tourists who enjoy them, compares harshly with the slums of Kingston and other urbanized areas. After an absence of nearly a decade, the Inter-American Foundation has returned to Jamaica to support efforts to bridge this gap and become reacquainted with the island's civil society.

The People's Action for Community Transformation (PACT) is a federation of 20 Jamaican NGOs and community-based organizations (CBOs) working in the inner-city of the Greater Kingston Metropolitan Area. PACT members mobilize and pool resources that they channel toward shared goals. To access more resources and skills and broaden its national network, in 2002 PACT entered into an association with the Local Initiative Facility for the Urban Environment (LIFE), which has helped marginalized Kingston communities and several parishes throughout the island. IAF's support will further the expanded effort.

PACT/LIFE will engage approximately 24 organizations in 12 low-income communities in participatory learning and needs assessment workshops. Through these workshops, PACT/LIFE will identify social and environmental development projects and community-owned enterprises for grants and technical assistance. Additionally, the partnership will assist several organizations with legal registration, and individuals and CBOs with access to \$200,000 in credit available through the Credit Organization for Pre-Micro-Enterprises. Strengthening civil society organizations with these activities should help them contribute to grassroots development on the island.

—Eduardo Rodríguez-Frías, program staff assistant



Latin America Regional

New Grants

International Labour Organization's Delnet Program (Delnet), \$160,000 in the first year of a three-year program to provide specialized training and networking opportunities through online courses and annual on-site technical workshops on specialized themes in local development. (LA-160)

Mundo Afro, \$200,750 over two-years to develop a regional network among communities of African descent in Uruguay, Brazil, Argentina and Paraguay. The network will pioneer social development programs focused on education, micro-enterprise development, cultural preservation and project planning. Mundo Afro will also inaugurate the Instituto Superior de Formación Afro (Institute for Afro-Latino Development) which will design curricula for pilot programs as well as research, evaluate and disseminate best practices for social development among communities of African descent. (LA-161)



Supplemental Grants

Centro Latinoamericano de Economía Humana (CLAEH), in Uruguay, and **Corporación de Estudios Sociales y Educación** (SUR), in Chile, \$9,050 to disseminate *Territorio y Desarrollo Local: Experiencias en Chile y Uruguay* (Ediciones Sur: 2003), a publication of 15 case studies funded by an earlier grant, and to plan future research activities on local economic development and social management programs with Fundación Nacional para el Desarrollo (FUNDE) in El Salvador. (LA-157-A2)

Fundación Esquel Ecuador (FEE), \$25,000 to coordinate researchers' return visits to present their findings in 10 communities studied earlier in Brazil, Paraguay, Ecuador, Peru, Costa Rica, Nicaragua and Mexico and to publish their conclusions in *Deliberación Pública y Desarrollo Económico* (Alfaomega Colombiana: 2003), which will be available in Spanish and English. (LA-158-A1)

PATRICK BRESLIN



PAULO DE VC. MELO JÚNIOR



Mexico

New Grants

Red Bioplaneta A.C. (Bioplaneta), \$320,600 over two years to strengthen community enterprises through training and through niche-marketing high quality, environmentally sustainable products to increase profits and promote conservation. Beneficiaries include 30,000 individuals from 6,000 families involved in 55 rural enterprises in the states of Oaxaca and Veracruz. (ME-461)

Asociación Mexicana de Uniones de Crédito del Sector Social A.C. (AMUCSS), \$400,000 over three years to improve financial services and reduce remittance transfer costs in rural communities in Oaxaca, Puebla, Zacatecas and Guerrero. The program will strengthen community micro-banks, including through cooperation with U.S.-based migrants, benefiting approximately 11,500 micro-bank members. (ME-462)

Fomento Cultural y Educativo A.C. (Fomento), \$380,600 over three years to increase the capacity of indigenous communities for self-help activities in agro-ecology, health and women's programs. Fomento will also conduct a study on remittances and transnational issues and apply the findings to community development. The project will directly benefit some 12,500 individuals in Veracruz' Sierra Norte, southern Veracruz and Chiapas' Selva region. (ME-463)

Fundación UABC A.C. (FUABC), \$425,550 over three years to foster alliances among universities, businesses, community organizations and governments in Mexicali, Baja California. Project goals include loan and grant funds for micro-enterprise development in rural areas, benefiting some 270 low-income women and their families; improved organizational capacity for more than 90 community groups and NGOs; and the promotion of development through stronger relationships with the Imperial Valley in California. (ME-465)

Centro Mexicano para la Filantropía A.C. (CEMEFI), \$436,000 over four years to improve the long-term financial sustainability of community foundations throughout Mexico and strengthen their partnerships with civic leaders, businesses, nongovernmental organizations and public institutions. The program, launched with a concurrent fiscal 2002 grant (ME-456), will help the foundations better support projects managed by grassroots groups and NGOs to benefit urban residents. (ME-466)

Supplemental Grants

Centro Mexicano para la Filantropía (CEMEFI), \$63,000 and \$23,000, to promote, as RedEAmérica's secretariat, grassroots development through workshops and conferences designed to extend the reach of corporate grantmaking to organizations of poor people in many countries. (ME-422-A4) (ME-422-A5)

Comité de Defensa Popular de Zaragoza (CDP-Z), \$67,578 to fully implement its programs in health, housing, and meat and dairy production in Zaragoza, Vera Cruz. Funds will support the project manager, promoter, technical secretary, accountant and three program coordinators. (ME-426-A3)

Fundación para la Productividad en el Campo (APOYO), \$25,000 to co-sponsor a conference on the use of remittances for local development in Puebla, Mexico. Funds supported administrative costs, dissemination materials and the travel of 15 specialists to this event for development professionals and policy-makers from government, nongovernmental organizations and international organizations in Mexico and other Latin American and Caribbean countries. (ME-450-A1)

PATRICK BRESLIN



Networking To Find a Niche

For years, IAF grantees have encouraged organic agriculture and production methods that result in superior quality without damaging the environment. Once these methods are in place, however, the challenge of marketing surfaces. *Red Bioplaneta A.C.* (Bioplaneta) assists rural enterprises with marketing, throughout Mexico and abroad, products and services priced to reflect their high quality and sustainable methods.

Bioplaneta's network includes 55 community enterprises in 13 Mexican states, with most located in areas of high outward migration in Oaxaca and Veracruz. Indigenous groups operate many member enterprises. The network's output, described on its Web site at www.bioplaneta.com, ranges from organic peanut butter and chocolate to "natural" cosmetics to eco-tourism packages to textiles to wood products. In selecting its members, Bioplaneta gives priority to enterprises located in regions of environmental significance, with, for example, high bio-diversity or susceptibility to degradation. It uses participatory processes to assess the social and economic feasibility of each enterprise as well as its consequences for the environment. The network's alliance-building approach encourages members to exchange experiences and expertise.

Bioplaneta will use its IAF award to offer additional training and technical assistance in evaluation, marketing, administration, accounting, infrastructure planning and development. It will also open a new café-store in Mexico City targeting environmentally and socially conscious consumers. Sub-grants will fund building improvements and expansion, equipment, and working capital for network members. Over the two-year grant period, Bioplaneta plans to integrate 40 new enterprises into the network that already counts 30,000 beneficiaries from 6,000 families. Bioplaneta represents an exciting source of ideas and support for a growing constituency interested in responsible production and selective consumption.

—Jill Wheeler, Foundation representative

PATRICK BRESLIN



Nicaragua

New Grants

Centro de Derecho Ambiental y Promoción para el Desarrollo (CEDAPRODE), \$349,900 over three years to improve the income and management skills of indigenous Miskito women through a credit program supporting increased production of crops, small animals and crafts, as well as through natural resource management and eco-tourism activities within the Bosawas Biosphere Reserve. (NC-246)



PATRICK BRESLIN

Cooperativa Maquiladora Mujeres de Nueva Vida, International (COMAMNUVI), \$186,520 over two years to increase the income of COMAMNUVI's members and establish the first worker-owned Free Trade Zone in Nicaragua. The award will fund the legal, technical and administrative support required to set up the entity and will provide the initial working capital to finance its expanded operation. (NC-251)

Fundación Odorico D'Andrea (FODA), \$232,425 over three years to support 300 farmers in diversifying their production, increasing productivity and introducing ecologically sound farming practices in the municipality of San

Rafael del Norte, Jinotega. The award will support the farmers' activities related to organic agriculture, small livestock development, and water and soil conservation. Community leaders and community participants will train in small-farm production and modern production techniques through various modules, field days and exchanges. They will also work together to establish community forestry nurseries and water reservoirs and will build fuel-efficient stoves. (NC-252)

Consorcio para el Desarrollo Sostenible de Ticuantepe (CODESOS), \$344,942 over three years to strengthen local institutions and provide environmentally sustainable economic alternatives for approximately 1,500 families living in the buffer zone of the Biological Corridor of the Managua Hills. CODESOS will develop and implement, in a participatory manner, a plan for the conservation and sustainable use of the municipality's natural resources and environment. It will also conduct environmental education, support local partnerships and establish a loan fund for agricultural diversification and marketing as well as tourism services. (NC-253)

Fundación José Nieborowski (FJN), \$300,544 over three years to promote the development of urban and rural micro-entrepreneurs, establish a local business incubator, and offer viable alternatives for young adults learning basic job skills. The award will assist FJN's business center, located in Boaco, by supporting infrastructure expansion, a variety of courses on business development and enterprise formation, and a venture fund for new micro-enterprises. (NC-254)

Urbanizadora y Edificadora Popular (URBE), \$409,670 over three years to increase community capacity for self-help through citizen participation on housing committees and in self-help home construction and remodeling. The project will improve the living conditions of low-income communities in Mateare, Los Brasiles and Ciudad Sandino, and alleviate their housing shortages. In addition to the construction and renovation of homes, the award will support the preparation of municipal-level housing plans, a municipal housing fund and formation of an inter-municipal body to address the area's housing crisis. (NC-255)

Supplemental Grants

Asociación de Voluntarios para el Desarrollo Comunitario (AVODEC), \$98,618 over one year for a housing loan fund covering the cost of materials, skilled labor and transportation, as well as a loan fund to finance income-generating activities of approximately 110 beneficiary families in the cities of Jigüina, Los Robles, Asturias, Yankee and El Salto. (NC-226-A2)

Asociación Servicios Agropecuarios y Desarrollo Rural (AGRODERSA), \$89,960 over one year for a revolving loan fund to support a variety of activities of interest to project participants (e.g., marketing, small agricultural processing plants, small-scale commercial activities). The supplemental grant will finance the loan fund, salaries and administrative costs incurred in the final year of the activities. (NC-234-A2)

Sustainable Agriculture for a Better Life

Consorcio para el Desarrollo Sostenible de Ticuantepe (CODESOS) was formed in 2001 by three groups concerned with sustainable development and conservation: the Montibelli Private Reserve, the Organization of Women Pineapple Producers of Ticuantepe and the Municipal Government of Ticuantepe. CODESOS seeks to protect the environment while improving income in local communities.

Its IAF-funded project has two primary objectives: protection of the natural resources of the biological corridor of the Managua Hills through sustainable use, and a better quality of life for the area's inhabitants through agricultural diversification and the creation of family-owned micro-enterprises. With its grant, CODESOS will address issues such as the recovery of the region's primary agricultural crop, pineapple, as well as forestry management, urban environmental management, eco-tourism possibilities and local development. The funds will support activities centered on training and education, institutional strengthening, and partnerships. The main beneficiaries will be more than 1,500 low-income families in the buffer zone above the biological corridor.

The Ticuantepe region produces 90 percent of Nicaragua's pineapples and employs 40 percent of the local work force (with women comprising 55 percent of these workers). Despite their proximity to Managua, however, Ticuantepe pineapple growers are at the mercy of intermediaries who pay very low prices for the harvest. Worse yet, the growers' lack of technical and organizational capacity pits them against each other to the benefit of middlemen. Along with technical capacity and quality control, CODESOS will focus on this issue.

Helping local families identify and adopt sustainable economic alternatives is another objective. The project will support the creation of new jobs through loans for productive activities and new micro-enterprises. IAF's award will be used for studies, equipment, dissemination, construction, operating expenses, salaries, training, technical assistance and the loan fund. The Montibelli Private Reserve has offered its facility and its infrastructure for research, demonstration and environmental education activities.

Ticuantepe's municipal government will provide CODESOS with office space and will convene meetings with relevant civil society stakeholders. The women's association will contribute land and labor to the training program on agricultural practices and conservation.

—*Miriam Brandão, senior Foundation representative*

Panama

New Grants

Instituto Panameño de Desarrollo Humano y Municipal (IPADEHM), \$278,505 over two years to strengthen the capacity of local groups and municipal authorities to mobilize resources and negotiate, identify, design, implement and evaluate projects. The award will also contribute to community welfare through investments in infrastructure for health, environmental and other service projects in selected municipalities in the provinces of Veraguas and Bocas de Toro and in the territory of the indigenous Ngobe-Bugles. Approximately 128,000 individuals in 47 sub-municipal administrative units should benefit. (PN-273)

Asociación para el Fomento de Turismo (AFOTUR), \$217,500 over two years to increase opportunities in the expanding tourist industry for 300 residents of indigenous Embera communities in the Chagres National Park. The grantee also plans to reforest areas with native species, develop agro-forestry programs to conserve the natural resources of the Panama Canal watershed, and improve potable water facilities. (PN-274)

Instituto de Koskun Kalu, \$89,325 for a one-year project to create three community museums on three islands belonging to the indigenous Kuna people. The project will benefit 3,000 individuals by promoting respect for and knowledge of their history and traditional culture and by increasing their economic opportunities in Panama's tourist market along the Atlantic coast. (PN-275)

Supplemental Grants

Centro de Estudio para la Promoción del Desarrollo (PRODES), \$94,830 for training, and technical assistance to improve income, organizational development and access to markets for 60 artisans and for 30 young tour guides in the rapidly expanding tourist economy of the municipal district of Portobelo. (PN-265-A3)

Fundación para la Promoción de la Mujer (FUNDAMUJER), \$75,762 over one year to supplement funds for training 505 low-income men and women, rural and urban, in artisan activities, building and vocational trades, computer sciences, and hotel and tourist services. The grant will also fund technical assistance, monitoring and evaluation activities, craft exhibits and a visit to artisan organizations in Bolivia. The program goals are employment, better income, and more technical and administrative skills. (PN-267-A1)

MARK CAICEDO



An Alliance for Eco-Tourism

Insertion into the global economy through neo-liberal measures has had painful consequences for Panama, but there is a bright spot on this otherwise gloomy horizon: increased tourism, especially via cruise ships along the Atlantic coast.



In anticipation of the opportunities offered by a burgeoning visitor industry, Terra Tours, a Panamanian company, founded *Asociación para el Fomento de Turismo* (AFOTUR), an NGO which has worked effectively with low-income indigenous communities. One imaginative AFOTUR product is a package that allows selected cruise ship passengers to visit the indigenous Embera riverside communities in the Chagres National Park. The Embera benefit from the sales of their extraordinary baskets and from the proceeds from tours, food and sometimes even lodging. To create an appropriately festive venue for the visitors, the Embera have revived traditional dress and perform authentic dances. Tours are organized to respect the conservation of natural resources within the park, one of Panama's most important as it is part of the watershed feeding into the Panama Canal. So far the AFOTUR-Embera experience in eco-tourism has been so successful that it has been featured in international tourism conferences.

AFOTUR's IAF grant will further social development, natural resource conservation and cultural pride among three Embera communities participating in the Chagres National Park program. AFOTUR will organize community training programs in tourism enterprise development and reforestation along with other conservation activities. It will work with the participating communities to improve access to potable water through new infrastructure and it will manage a small rotating loan fund to finance outboard motors and related equipment and investments. Agro-forestry and reforestation projects should increase traditional food production and propagate native tree species such as *cedro espino*, *caoba*, *cocobolo* and *palma chungá*. Activities will be coordinated with five different government entities working in the environment, tourism and agriculture.

—Kevin Healy, Foundation representative

Peru

New Grants

Producción y Capacitación de Artesanía Ayacuchana (PROCAYA), \$290,000 over three years to increase the income and well-being of 500 artisans by enhancing their productive capacity and product quality through training, technical assistance and marketing services. This program will provide a local model for effective artisan production and marketing for export. (PU-514)

Asociación JILATA (JILATA), \$200,135 over two years to provide training, technical assistance and initial operating capital to approximately 260 farm families in the district of Ilabaya with the goal of increasing production of oregano, activating a processing plant and preparing local farmers to directly market the crop nationally and internationally. (PU-515)

Centro de Textiles Tradicionales de Cusco (CTTC), \$163,335 over three years to open market opportunities, promote a greater appreciation for traditional Inca textiles, improve the quality and productive capacity of approximately 345 weavers in nine



HEIDI SMITH

indigenous communities, and improve organizational capacity through training, technical assistance and marketing activities. (PU-517)

Instituto de Medio Ambiente y Género para el Desarrollo (IMAGEN), \$134,845 over three years for a participatory planning process to formulate and implement local development plans. These plans will be coordinated by four municipal development committees comprised of representatives from local government and nongovernmental entities. The project is expected to increase the organic agricultural production of 1,100 indigenous farmers in the province of Paruro. (PU-519)

Supplemental Grants

Centro de Estudios para el Desarrollo (CEDER), \$142,415 for an international conference in Arequipa on local economic development, participation and decentralization for 300 academicians, practitioners, business leaders and government officials from Latin America, North America and Europe. (PU-481-A4)

Bosques del Norte, \$60,000 for salaries and support for the technical staff, training activities, materials and supplies needed for the implementation of the management plan. By the end of this extension, three plans will have been implemented and the revitalized forestlands will be providing raw material and produce for local consumption and for markets in the region's urban centers. (PU-486-A2)

Empresa Multicomunal de Servicios Agropecuarios Arapa-Chupa de R. Ltda. (EMUCOSA), \$37,000 to complete enterprise development activities and to achieve a self-sustaining level of economic viability. (PU-492-A2)

Centro de Investigación y Promoción Social (CIPS), \$47,300 to continue its integrated program of traditional and improved technology to strengthen rural economies in Collambay, Sinsicap and San Ignacio, incorporating three additional villages and 100 new beneficiary families. (PU-497-A1)

Asociación para la Investigación y Desarrollo Integral (AIDER), \$65,000 to fully achieve the objective set out in the grant agreement. (PU-499-A2)

Centro para la Promoción del Desarrollo y Capacitación (CEDCAP), \$72,620 to cover the cost of animal feeds, medicines and veterinary services for the livestock of project beneficiaries adversely affected by severe cold weather and snow. (PU-502-A1)



HEIDI SMITH

Weaving a Future from Traditional Skills

Globalization, along with its effects on traditional ways, has reached all ends of the earth—including the Andean highlands. Where entire communities once sat together to weave clothing, blankets and belts on back looms, high tech machinery now operates with artificial dyes and synthetic yarn. Not only has the quality of the goods changed, but so have the communities' dynamics.

El Centro de Textiles Tradicionales de Cusco (CTTC) was founded in 1996 to restore a textile tradition closely identified with the customs and beliefs of the villages in the Peruvian highlands near Machu Picchu. To recover a way of life that had been all but lost, and improve the well-being of indigenous weavers, CTTC is reviving natural dyes, old Inca designs and time-tested weaving techniques, and it is opening markets worldwide. The Inter-American Foundation's three-year grant of \$163,335 will support CTTC's efforts to secure commercial opportunities, promote the appreciation of traditional textiles and enhance its organizational capacity with training, technical assistance and marketing activities.

CTTC works with weaving cooperatives in nine indigenous communities outside Cusco to increase the productive capacity of 345 weavers as well as the quality of their textiles. The Center provides supplies, space and often lunch for participants who meet to weave together on a weekly basis. As part of its program, CTTC encourages young children to watch the more experienced weavers and learn an art that almost became extinct in today's busy times. To date, it has restored dyes, such as indigo and cochineal, a vivid scarlet made from insects, and has recovered more than 45 Inca patterns. CTTC displays new weavings in its community museum on the Avenida del Sol, just a few blocks from Cusco's marvelous Plaza de Armas, and shares techniques with tourists passing by. Profits from the museum's store go directly to the participating communities for social and economic development projects. One weaving association invested its share in typical dresses and hats for the girls and women; another is expanding its warehouse to store yarns and finished goods. By reviving a precious heritage, CTTC is weaving a prosperous future.

—Wilbur Wright, senior Foundation representative,
and Heidi Smith, dissemination officer

HEIDI SMITH



Trinidad and Tobago

New Grant

The **Buccoo Reef Trust** (BRT), \$107,000 over two years to support organized seamoss cultivation, new product development and marketing by approximately 120 individuals on Tobago. (TR-018)



ROHAN HOLT

Harvesting a Restored Crop

A fiscal 2003 grant to the *Buccoo Reef Trust* (BRT) on the island of Tobago has reaffirmed the IAF's commitment to grassroots development in the Eastern Caribbean, a region in which IAF resumed support in fiscal 2002 after a decade-long absence. The award will help restore an endangered Caribbean crop and strengthen the environmental NGO's capacity to engage in community development.

Traditionally the peoples of the Caribbean have harvested a variety of seaweed commonly known as seamoss for food and medicine. Prices for seamoss increased from a few cents per pound in the 1940's to approximately \$20 in the 1990's due to shortages caused by overharvesting wild stocks to the point of near extinction. As shallow reef stocks dwindled, deep-dive harvesting endangered remaining plants as did careless harvest methods that destroyed seaweed holdfasts, the "root" anchoring seamoss to reefs and allowing the plants to regenerate. Increased pollution of coastal areas further depleted stocks. Endangerment of the species imperiled the livelihoods of many who harvested the plant.

With its IAF award, BRT, a marine and science research organization, will organize 120 small-scale producers to cultivate and market seamoss on Tobago using sustainable methods. It will also invest its grant funds in researching and developing new seamoss products and outlets for them. BRT's committee to manage the project will include beneficiaries. By bringing them into the project's management, BRT hopes to link environmental NGOs and communities through a common stake in the environment, bridging any differences and providing a context conducive to successful sustainable development. —*Eduardo Rodríguez-Frías, program staff assistant*

ROHAN HOLT



Uruguay

New Grant

Endeavor Uruguay, \$299,835 over two years to expand its program of identifying, selecting and supporting entrepreneurs to include low-income and marginalized producers. Endeavor will also take the lead in fostering corporate social responsibility in the Uruguayan business community through a series of conferences. (UR-177)

MITCHELL DENBURG



Spurring Small Enterprise Development

Uruguay's economy is so tied to Argentina's that fallout from the four-year financial and political crisis next door was inevitable. *Endeavor Uruguay* has, consequently, faced some tough challenges to developing a generation of Uruguayan entrepreneurs positioned to compete in the global economy. Nonetheless, Endeavor Uruguay has progressed, thanks to its system of open workshops and conferences as well as the annual competition through which it chooses, from hundreds of candidates, the individuals with the potential and creativity to enter its program for "selected entrepreneurs." The successful applicants, 13 to date, are offered personalized consulting services by a volunteer corps of MBAs and strategic networking that opens the door to market opportunities with key industries.

Now, Endeavor's executive director, Francisco Ravecca, is targeting candidates who do not meet the criteria for selection to this program because they apply from small-scale, low-technology businesses. Ravecca believes Uruguay needs these as a third tier of industry, and he requested IAF's support for an adjustment to Endeavor's program. With \$299,835 from the IAF, Endeavor Uruguay will now provide successful candidates from small-scale enterprises the opportunity to consult with and be mentored by "selected entrepreneurs". One graduate entrepreneur, from a thriving fashion boutique, jumped at the chance to become a mentor, eager to share his knowledge of quality control, local distribution and export abroad with, for example, a cooperative producing hand-made sweaters or herbs. Focusing on the country's interior, Endeavor Uruguay will spur development for small enterprises whose geographic location or finances limit their access to technical assistance. The program should prepare rural businesses and small urban enterprises to compete ever more globalized markets. —Audra Jones, *Foundation representative*



MITCHELL DENBURG

Venezuela

New Grants

Asociación Cooperativa de Producción Agrícola Orgánica Quebrada Azul (Quebrada Azul), \$163,787 over two years to consolidate its production, marketing and administrative activities. The project will capitalize on the cooperative's ongoing organic farming and marketing activities by expanding the membership base; training members in organic farming techniques, alternative crop production and recycling paper for packaging as well as in finance and administration; and establishing and training a team within the cooperative to undertake new business development. (VZ-189)

Fundación para la Defensa de la Naturaleza (FUDENA), \$277,061 over three years to consolidate activities under a community-based, sustainable resource management project whose goals are the protection of shellfish species and increased earnings for local communities that derive their primary income from fishing. FUDENA will analyze the shellfish marketing process and identify opportunities to maximize income, promote the role of women in the marketing process, assess alternative income-generating activities and continue educating the community on the importance of managing resources sustainably. (VZ-190)

Fundación Proyecto Paria (FPP), \$351,300 over three years to work in close collaboration with the Instituto de Estudios Superiores de Administración (IESA) to design, develop, implement and institutionalize a management training program for civil society leaders with a special focus on rural and disadvantaged areas, such as Río Caribe, Sucre, where the program training will take place. (VZ-191)

Cooperativa Industrial de Trabajadores "Aluminio Fénix R.L." (AlumiFénix), \$246,200 over two and one-half years to improve the cooperative's capacity to develop and market popular commercial-style aluminum products by increasing the membership, assembling and training a regional network of producers and distributors, establishing more favorable relationships with raw materials suppliers and expanding the reach of the cooperative's current shareholder investment program. (VZ-192)

Supplemental Grants

Centro de Educación y Promoción de la Autogestión Indígena (CEPAI), \$47,000 in additional funds to consolidate field and headquarter activities and mobilize additional resources for future program activities. (VZ-164-A2)

Fundación Papyrus (Papyrus), \$87,200 to assess the viability of establishing small-scale, independent grassroots recycling enterprises to collect and recycle raw materials and to supply the paper, plastic, glass and aluminum industries. The assessment will include a business plan, a social impact analysis of the potential participants in up to three urban centers, and an appraisal of possible private and public sector partners. (VZ-183-A2)



Networking for a Competitive Edge

With more than 80 percent of the population officially classified as living in poverty, little capital flowing into the country, the aftershocks of a three-month labor strike and continued political uncertainty, the Venezuelan economy is close to stalled. Nonetheless members of *la Cooperativa Aluminio Fénix R.L.* (AlumiFénix), located in Maracay, have dared to dream.

Formed a decade ago by employees of a failing aluminum kitchenware enterprise, the cooperative has worked for the past decade to provide jobs to local aluminum craftsmen. But by 2001, when AlumiFénix was operating at only 30 percent of its capacity, cooperative members realized that to compete in the aluminum products industry they would have to rethink the way they did business. To offset the unfavorable prices charged for raw materials by the national aluminum corporation, the cooperative needed to increase production and sales. Since AlumiFénix did not have the capital to establish additional factories, its management considered forming a production network of 100 independent craftsmen from throughout Venezuela and selling directly to consumers rather than to wholesalers. The result was a home-based manufacturing system aimed at improving profits for the cooperative as well as employment opportunities for aluminum workers.

A grant of \$246,200 from the Inter-American Foundation will allow AlumiFénix to purchase aluminum in bulk at more favorable prices, which means the primary factory can operate at capacity with its full complement of 50 employees. The cooperative's network of craftsmen will have a parallel network of distributors that sell its array of commercial and household products. In all, the expansion should offer entrepreneurial opportunities to 400 individuals in Venezuela's interior. Plans also include the development of appropriate technology so that the cooperative's inventory, distribution and sales systems will be managed with handheld computers.

—Audra Jones, Foundation representative



RedEAmérica

RedEAmérica, the Inter-American Network of Corporate Foundations and Actions for Grassroots Development, is an IAF-initiated private sector strategy to promote grassroots development throughout Latin America and the Caribbean. Founded in Miami in 2002, the network grew from 27 to 35 corporate foundations by the end of fiscal 2003. Its primary funding vehicle is a bilateral, three-year cooperative agreement financed equally by the IAF and the respective corporate foundation. Through 12 such agreements in fiscal 2003, RedEAmérica has channeled development assistance to a broad range of sub-grantees and loan programs. An estimated 65,000 individuals should directly benefit from this investment.

Courtesy
FUNDACIÓN ARCOR



Cooperative Agreements

Fundación Pehuén \$76,000

Created in 1992 by Endesa Chile, a multinational electric power company in southern Chile, Fundación Pehuén supports the economic, education and cultural projects of indigenous communities in Alto Bio-Bio. (CP-001) (CH-511)

Fundación Juan Minetti (Fundación Minetti) \$282,100

Grupo Minetti is an Argentine cement and concrete conglomerate whose majority shareholder is Holcim, a leading international producer of cement. Its Fundación Minetti, founded in 1987, supports projects and initiatives, usually educational, that develop the abilities of individuals and civil society organizations to attain the best possible quality of life. It is most active in the areas where the Grupo Minetti plants are located: Córdoba Capital and Malagueño, Córdoba; Las Heras, Mendoza; Puesto Viejo, Jujuy; and Zárate-Campana, Buenos Aires. (CP-002) (AR-331)

Fundación Arcor (FUNARCOR) \$168,000

FUNARCOR was created in 1991 by Grupo Arcor, a Córdoba candy producer, to foster social responsibility and a greater corporate commitment to solving the problems related to poverty in Argentina. Its assistance to nonprofit organizations focuses on educating children and youth. (CP-003) (AR-332)

Fundación Merced \$127,500

Fundación Merced was founded in Mexico in 1964 by Hermun S.C., a real estate brokerage. With resources from its endowment and contributions from the business community, it supports self-help projects selected through a national competition. (CP-004) (ME-464)

Fundación Lann-Nobis (Fundación Lann) \$65,000

Fundación Lann was established in 1996 by Nobis, a consortium of companies in Ecuador's agricultural, gas and alcohol, real estate, tourism and export sectors. Its support to self-help projects in Afro-Latin and indigenous communities in Ecuador's southern and coastal areas focuses on health, nutrition, housing and income-generation. Fundación Lann also mobilizes corporate resources to invest in micro-enterprises and training for these communities. (CP-005) (EC-384)

Fundación Esquel Ecuador (FEE) \$140,000

Fundación Esquel was founded in 1990 by a group of economists, sociologists, businessmen and others interested in working toward a more just and equitable society in Ecuador by promoting economic, social and educational development. FEE works in four programmatic areas: sustainable human development, youth, democratic institution-building and social responsibility. (CP-006) (EC-385)

AVINA Perú \$120,000

AVINA Perú is part of the AVINA Foundation of Switzerland which operates in many Latin American countries. It receives support from Grupo Empresarial Nueva, a conglomerate that invests in Latin America. Under its cooperative agreement with IAF, it will finance small grants, training and other support to community organizations of poor people for self-help development projects. (CP-008) (PU-518)

Fundación Zonamérica \$128,000

Fundación Zonamérica was established in 2002 by Zonamérica Limited y Bonacqua S.A. It promotes research, development and technology transfer, as well as training, job creation and self-help projects involving information technology, for the benefit of low-income communities throughout Uruguay. (CP-009) (UR-176)

Corporación Consorcio

para el Desarrollo Comunitario \$120,000

The consortium consists of nine Colombian corporate foundations which banded together in 1998 to develop a more egalitarian, prosperous, democratic society by strengthening community organizations. Under the cooperative agreement, members Fundación Corona, Fundación EPSA and Fundación Smurfit Cartón de Colombia will work in the departments of Valle de Cauca and Cauca. (CP-010) (CO-498)

Asociación de Fundaciones Petroleras (AFP) \$258,500

Founded in 1999 by a group of Colombian oil companies to strengthen Colombia's peace process, AFP supports grassroots groups in the departments of Arauca, Casanare, Huila, Northern Santander and Santander. (CP-011) (CO-499)

Dibujando un Mañana (DUMAC) \$49,500

Dibujando un Mañana, founded in Mexico in 1997, supports projects that develop the potential of at-risk children and integrate them into society. DUMAC selects its projects through a competitive process and funds them with donations from the business community. (CP-012) (ME-467)

Fundación Corona (FC) \$242,220

Incorporated in 1963, Fundación Corona promotes social responsibility with a particular focus on urban community development in Colombia. Its social program is supported by Organización Corona, its parent company, which manufactures ceramic tiles, fixtures and other items used in new home construction. FC funds development initiatives, sponsors conferences and conducts research in the areas of income-generation, education and health. (CP-013) (CO-500)

Agreement Amendments

Fundación Juan Minetti (Fundación Minetti) \$61,180

Fundación Minetti will manage a travel fund to facilitate RedEAmérica members' participation in international meetings, conferences and other events. (CP-002-A1) (AR-331-A1)

Fundación Corona (FC) \$76,000

Fundación Corona, coordinator of RedEAmérica's training program, will oversee research consultants conducting thematic studies. (CP-013-A1) (CO-500-A1)

Evaluation

In fiscal 2003 the Office of Evaluation conducted a range of activities designed to measure the effectiveness of IAF's funding, to disseminate insights and lessons about grassroots development and to improve grassroots development strategies.

Results Report

The instrument used to measure the results of IAF's funding is the Grassroots Development Framework (GDF). Data collection on the GDF's various indicators was facilitated this year by contractors hired in 15 countries to instruct new grantees in the application of the GDF and to verify information submitted by grantees at required intervals. More than 90 percent of IAF-supported projects scheduled for monitoring were visited in fiscal 2003, and the grantees' data were verified through reviewing files, interviewing managers and beneficiaries, and inspecting infrastructure. Consistent with IAF's own reporting requirements, the results of this exercise were compiled in a comprehensive document which was distributed to congressional and other U.S. government offices.

Insights and Lessons

The Office of Evaluation periodically selects certain innovative self-help initiatives for an in-depth assessment of lessons generated of special interest to the IAF, its grantee network and the development community. We completed during the fiscal year an 18-month study co-sponsored with the Council on Public Policy Education, the Inter-American Democracy Network, the Kettering Foundation and Partners of

the Americas. The study analyzed the connection between deliberation and citizen participation and sustainable local development using 10 cases studies from seven countries—Brazil, Paraguay, Ecuador, Peru, Costa Rica, Nicaragua and Mexico. Findings presented in September to the Kettering Foundation in Dayton, Ohio, have been published in *Deliberación Pública y Desarrollo Económico*.

A six-month 2003 grant to study successful examples of local development in Uruguay and Chile permitted two nongovernmental organizations, CLAEH (Centro Latino Americano de Economía Humana) and SUR (Corporación de Estudios Sociales y Educación), to publish their findings in *Territorio Local y Desarrollo: Experiencias en Chile y Uruguay*, a book presented at the First Latin American Summit on Local/Regional Development and Decentralization in Arequipa, Peru, in June. In fiscal 2003 Centro de Estudios Ambientales y Sociales para el Desarrollo Sostenible (CEASDES), a Salvadoran nongovernmental organization, was commissioned to

examine three eco-agricultural projects in Guatemala for worthwhile practices. The conclusions will be published in the IAF's journal, *Grassroots Development*.

Evaluation Pilot

The IAF established during this fiscal year criteria for an annual evaluation of 10 projects randomly selected from IAF's portfolio. The evaluations will focus on the changes, expected and unexpected, that the projects generated on various levels; the processes and development strategies that achieved the observed changes; and the projects' responsiveness to community needs. Fundação Getulio Vargas of Brazil will conduct the first 10 evaluations.

—Emilia Rodríguez-Stein,
director of evaluation



PATRICK BRESLIN

Dissemination

The Inter-American Foundation is required by its enabling legislation to disseminate lessons learned from its innovative funding of grassroots development. To accomplish this, the Office of External Affairs produces and distributes in-house publications and news releases and maintains the IAF Web site. Additionally, the IAF sponsors conferences and responds to invitations from fora in the United States and abroad.

Publications

The IAF's journal, *Grassroots Development*, and its annual report continue to be its flagship publications. During the fiscal year, the Spanish translation of the 2002 journal was distributed. A Portuguese layout, the first issue in that language since 1998, was posted on the Web and a special shortened edition was printed for distribution at a major conference in Brazil. The 2003 *Grassroots Development*, the first issue of the journal with a color format, was distributed in English; the Spanish version was nearly ready by the end of the fiscal year. *Together: How*

Governments, Corporations and NGOs Partner to Support Sustainable Development in Latin America, a book-length thematic study, became available in Spanish. *Economic Development in Latin American Communities of African Descent* underwent a third printing in English and was published in Spanish and Portuguese. IAF's corporate outreach brochure was completely redesigned and its message updated.

www.iaf.gov

IAF's Web site has averaged more than 1,500 visits a week, indicating the site has been accessed 500,000 times since its redesign in 2001. To maintain this level of interest in grassroots development, the site is constantly updated with current information on application procedures and awards, useful Web links and the latest IAF publications, special events, and changes to IAF's staff, board of directors and advisory council.

IAF Connections, the Foundation's online newsletter, now reaches more than 2,000 subscribers. The IAF's info inbox receives more than 100 inquiries each week from individuals interested in the IAF's grant program. Online readers can now order IAF publications in hard copy, while supplies last, through an online subscription form. New subscribers to *Grassroots Development* registering online are immediately sent the latest journal and annual report; their names and addresses are added to the IAF's database to ensure inclusion in future mailings.

In fiscal 2003 all materials relating to the IAF's transnationalism initiative were posted to www.iaf.gov/transnationalism.asp, a site providing links to papers, conference information and relevant IAF projects. The corporate outreach section of IAF's site has been updated to include 15 case studies published in 2002 on CD-Rom, IAF's annual agenda of conferences, an introduction to IAF's RedEAmérica initiative and material on corporate social responsibility.



David Valenzuela and Alberto Muñoz Nájjar of the Arequipa Chamber of Commerce at the Cumbre Latinoamericana para el Desarrollo Local/Regional in Arequipa, Peru.



HEIDI SMITH

Conferences

Development professionals and experts on migration and immigrant issues from Latin America, the U.S. and Canada converged in Puebla, Mexico, Jan. 23-25 for a conference on the Latin American diaspora in the U.S. and Canada. Co-sponsoring the event with the IAF were the Multilateral Investment Fund of the Inter-American Development Bank, the U.S.-Mexico Chamber of Commerce, the Pan-American Development Foundation, the Rockefeller Foundation and Puebla's state government. IAF president David Valenzuela opened the meeting with a history of IAF grants to projects assisted by migrants and transnational initiatives, and he moderated a panel on multiculturalism and globalization. Topics addressed ranged from how to deliver health care to a migrating population to new identification cards for Mexicans living in the United States. Representatives

of U.S.-based hometown associations, IAF grantees and grant applicants were among the 100 individuals who attended the conference organized by grantee Fundación para la Productividad en el Campo (APOYO).

The First Latin American Summit on Local/Regional Development and Decentralization, hosted by IAF grantee Centro de Estudios para el Desarrollo Regional (CEDER), was held June 9-12 in Arequipa, Peru. Rescheduled one year after its postponement due to civil unrest, the event enjoyed broader support and took on greater significance than originally anticipated. Co-sponsors included the IAF, the Diputación de Barcelona, the High-Level Inter-American Network on Decentralization (RIAD), the municipal government of Arequipa and Macro Región Sur. In attendance were more than 500 participants from

25 countries in Latin America, the Caribbean, Europe and the United States as well as from the Organization of American States and the United Nations. Topics addressed included the politics of decentralization in Latin America; European decentralization policy; state and local government structures; citizen participation and social accountability methods; social and economic partnerships; and the current decentralization process in Peru. The conference closed with the *Carta de Arequipa* in which delegates agreed to deepen, widen and disseminate local development processes and called for better partnerships among all sectors of society to improve the well-being of many and provide hope for a more democratic future.

Transnational Roundtables

During the second half of fiscal 2003, the IAF reached out to hometown associations (HTAs) of Latin American and Caribbean migrants working together to improve their communities of origin as new development actors in the United States. Their philanthropic contributions are impressive: In 2002 these U.S.-based associations collected an estimated \$50 million for infrastructure projects in Latin America and the Caribbean.

Through a series of roundtable discussions, IAF staff (including Carlo Dade, Jill Wheeler, Robert Sogge and Kathryn Smith Pyle) brought representatives from HTAs together with academic researchers, representatives of local governments and staff from U.S. foundations to share ideas about transnational linkages and grassroots development. Participants came from organizations of migrants from Mexico, Guatemala, El Salvador, Honduras, Nicaragua, Panama, Haiti, the Dominican Republic, Ecuador, Colombia, Venezuela and Brazil. Mayan and garifuna (African descendent) communities of Central America were represented as well. Those attending described the variety of projects, from playground construction to community-based businesses, which their HTAs supported with cash and labor.

Evident from these dialogues was the HTA representatives' perceived need for training and technical assistance in organizational and administrative affairs. As they begin to seek support from U.S. grantmakers and government agencies, they need a better understanding of funders' priorities and practices. Funders expressed a corresponding need. HTA participants noted that women faced particular challenges in rising to leadership positions and that meaningful roles for youth must be developed. They clarified that securing permanent resident status for immigrants in the U.S. and advocating for better policies on community development in their countries of origin were special concerns.

The dialogues held in New York City, Boston, Los Angeles and Miami were co-sponsored respectively by the Rockefeller Foundation and the Center for the Study of Philanthropy; the Mauricio Gastón Institute at the University of Massachusetts and the Mayor's Office for New Bostonians; the Los Angeles Immigrant Funders' Collaborative and Hispanics in Philanthropy; and the Collins Center, the North-South Center at the University of Miami, the Florida Association of Voluntary Agencies for Caribbean Action and the Dade Community Foundation. Participating grantmakers included the Ford Foundation, the New York Foundation, the Boston Women's Fund, California Community Foundation, California Endowment, California Wellness Foundation, the San Francisco Women's Foundation, the Jesús Guadalupe Foundation and the Levi Strauss Foundation. Also in attendance were researchers from New York University, Barnard College, the University of Massachusetts, Wellesley College, the University of Southern California, California State University, the University of California at Los Angeles, University of California at Santa Cruz and Florida International University.

The dialogues raised awareness of the immigrant organizations' goals, needs and potential for fostering transnational community development. Often representatives of local immigrant organizations were meeting each other for the first time. The IAF will assist in follow-up initiatives as appropriate and will maintain contact with the HTAs. A publication of case studies and reports collected in 2003 is planned for 2004. The IAF has already funded five projects with a transnational component, typically through a grant to a community-based organization in Latin America or the Caribbean working with an HTA. In the spirit of experimentation and in the context of its mission to support grassroots development, the IAF continues to encourage such partnerships. —*Kathryn Smith Pyle*

Thematic Outreach

IAF representatives are widely respected for the professional expertise they have cultivated in specific areas of interest. Willingness to communicate this information to others in the development profession reinforces IAF's reputation as an excellent resource. In 2003, the staff shared their knowledge with an expanded constituency and explored new areas of interest:

- ❖ Jim Adriance, whose interest is **the environment**, represented the IAF at the White Water to Blue Water Partnership, a multi-sector initiative to promote the practice of integrated watershed and marine ecosystem management in support of sustainable development in the Caribbean Basin.

- ❖ Kevin Healy spoke on his book *Llamas, Weavings, and Organic Chocolate: Multicultural Grassroots Development in the Andes and Amazon of Bolivia* (Notre Dame Press: 2001) at Columbia University's Latin American

Institute in New York and at Johns Hopkins University in Baltimore, where he later taught a summer course. He also spoke on **indigenous development and political issues** at George Washington University, the Foreign Service Institute, Johns Hopkins University School of Advanced International Studies, the Smithsonian

Museum of the American Indian, the University of Iowa's Latin American studies program and rural sociology department, and the U.S. Department of State.



- ❖ Audra Jones, M.B.A., whose expertise is **business practices**, spoke on micro-credit and international development at the Council of Foundations and on risk management and the social outcomes of a venture capital fund in Mexico at Claremont Graduate School; chaired panels on micro-credit at GrantMakers without Borders' annual conference and on corporate social responsibility at the National Net Impact Conference; and contributed the chapter "Partnerships with NGOs and Civil Society" to the publication of the Inter-Americas Conference *Corporate Social Responsibility: Alliances for Development*.

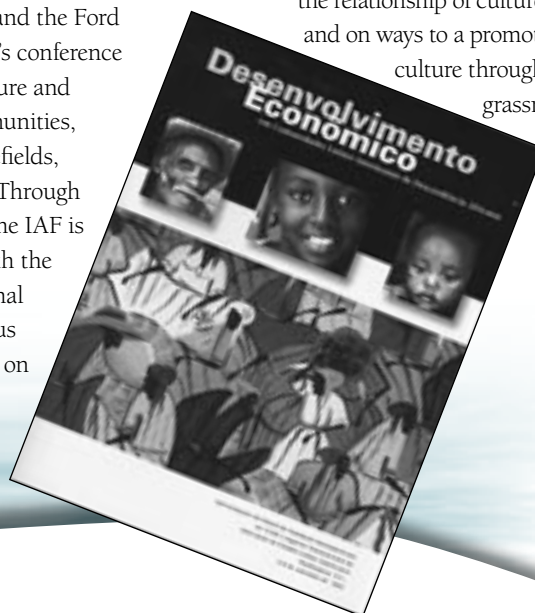
- ❖ Judith Morrison oversaw the English, Spanish and Portuguese printing of *Economic Development in Latin American Communities of African Descent* and throughout fiscal 2003 articulated the IAF's commitment to improving conditions for **Afro-Latin and garifuna communities**. Her outreach extended to the National Council of La Raza, the Latin American Studies Association, the Caribbean Studies Association, the Inter-Agency Consultation on Race, the Inter-American Development Bank, the Civil Society Task, the City University of New York's workshop on social inclusion and democratic education, and the Ford Foundation's conference on land tenure and black communities, held in Bluefields, Nicaragua. Through Morrison, the IAF is working with the Congressional Black Caucus Foundation on its activities in Brazil.

- ❖ Oscar Ruiz and Eduardo Rodríguez-Frías' participation in the United Nations Second Ad Hoc Committee on Disability triggered an in-house review of the **role of disabled individuals** in contemporary development assistance.

Democracy Agenda

Between December and August of fiscal 2003, Ramón Daubón spoke on democracy and participation in the IAF's work at the world's second largest book fair in Guadalajara, Mexico; the Brazilian Council on Foundations in Sao Paulo; the Inter-American Democracy Network in Mexico City; the Center for Research on Public Policy in San Juan; Chihuahua's State Foundation for Enterprise in Juarez, Mexico; the Inter-American Mayors' Conference in Miami; the Packard Foundation in San Francisco; the Latin America Bureau of the United Nations Development Programme in New York; and the University of Pittsburgh.

In August, Daubón traveled to Sweden where he spoke on grassroots democracy at various government agencies and nongovernmental organizations. The following month, at the invitation of the U.S. Embassy in Buenos Aires, he traveled through Argentina speaking on the relationship of culture to democracy and on ways to promote democratic culture through advocacy and grassroots organizing.



www.iaf.gov





INTER-AMERICAN FOUNDATION

901 N. Stuart Street, 10th floor

Arlington, VA 22203

U.S.A.

Tel: (703) 306-4301 • Fax: (703) 306-4365

Web site: www.iaf.gov

